

MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL EXECUTIVE COMMITTEE MEETING
October 18, 2004
MAG Offices
302 North 1st Avenue, Phoenix, Arizona

MEMBERS ATTENDING

Mayor Keno Hawker, Mesa, Chair	* Mayor Phil Gordon, Phoenix
Mayor Woody Thomas, Litchfield Park, Vice Chair	Mayor Joan Shafer, Surprise
Mayor Mary Manross, Scottsdale, Treasurer	Mayor James M. Cavanaugh, Goodyear
# Mayor Wendy Feldman-Kerr, Queen Creek	

* Not present

Participated by videoconference or telephone conference call

1. Call to Order

The Executive Committee meeting was called to order by Chairman Keno Hawker at 12:00 p.m.

2. Call to the Audience

Chairman Hawker noted that according to MAG's public comment process, members of the audience who wish to speak are requested to fill out the public comment cards. He stated that there is a three minute time limit. Public comment is provided at the beginning of the meeting for items that are not on the agenda that are within the jurisdiction of MAG, or non-action agenda items that are on the agenda for discussion or information only.

Chairman Hawker stated that there were no public comment cards received.

3. Approval of Consent Agenda

Chairman Hawker stated that public comment will be received before taking action on the consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Committee can request that an item be removed from the consent agenda and considered individually. Chairman Hawker stated that agenda items #3A, #3B and #3C were on the consent agenda. He noted that no public comment cards were received.

Mayor Joan Shafer moved to approve consent agenda items #3A, #3B and #3C. Mayor Woody Thomas seconded, and the motion carried unanimously.

*3A. Approval of the September 13, 2004 Executive Committee Meeting Minutes

The Executive Committee, by consent, approved the September 13, 2004 meeting minutes.

*3B. Amendment of the FY 2004 MAG Unified Planning Work Program and Annual Budget to Accept Federal Planning Funds Awarded Through the Arizona Department of Transportation

The Executive Committee, by consent, approved an amendment to the FY 2004 MAG Unified Planning Work Program and Annual Budget to accept the Federal Highway Administration planning funds and Federal Transit Administration (FTA) 5303 planning funds awarded through the Arizona Department of Transportation (ADOT) to MAG. Based on federal legislation, ADOT suballocates the FHWA and FTA award among the State's MPOs. With the final extension of FY 2004 Transportation Programming now complete, transportation planning funding amounts for MAG have been received. The Executive Committee was requested to approve an amendment to the Work Program and Annual Budget to accept these funds.

*3C. Amendment to the FY 2005 MAG Unified Planning Work Program and Annual Budget to Include Funding for an ITS and Safety Intern

The Executive Committee, by consent, approved an amendment to the FY 2005 MAG Unified Planning Work Program and Annual Budget to include an ITS and Safety Intern using approximately \$14,000 of federal transportation funds. On February 28, 2001, the Regional Council approved the Regional ITS Strategic Plan Update. The FY 2005 MAG Unified Planning Work Program and Annual Budget includes the implementation of projects in this Plan, including the current 15 consultant projects that provide assistance to MAG member agencies. Currently, the ITS program activities are being coordinated by one staff member, due to the second staff member accepting another position. This position is currently being filled. MAG is requesting approval to amend the Unified Planning Work Program and Annual Budget to include an ITS and Safety Intern position to help with the work load. This position would be funded using federal transportation funds.

4. Update on the MAG Regional Report

Dennis Smith reported that on September 13, 2004, the Executive Committee was provided with an update on the development of the MAG Regional Report and presentation of the report at the Regional Report Forum on November 16th. Since that time, it has come to our attention that two other events are being held that day, one hosted by the East Valley Partnership and the other by the Arizona Chamber of Commerce. Mr. Smith stated that because of these conflicts and the election being so close to the November 16th date, we are now looking at holding the event on January 25, 2005 from approximately 8:00 to 10:30 a.m. Mr. Smith stated that the report could then be revised to reflect the outcome of Proposition 400. He noted that the downtown Hyatt was not available for January 25th, but there are other potential facilities, such as the Arizona Club and the Phoenix Airport Marriott. Mayor Shafer stated that the Marriott is a very nice facility. Mr. Smith agreed and stated that we will check into the cost of these and other facilities.

Chairman Hawker thanked Mr. Smith for his update.

5. Sales Tax Incentives for Retail Development

Tom Remes stated that at the September 13, 2004 Executive Committee meeting, the issue of municipal sales tax incentives was discussed. He noted that there are several discussions going on throughout the Valley, but nothing concrete. Mr. Remes stated that he spoke with Queen Creek regarding their arrangement with Home Depot. Mayor Hawker asked if information on those discussions and the Queen Creek example could be sent to the Committee. Mr. Remes replied that a copy of the executed development agreement will be forwarded to the Committee. He noted that in the Queen Creek example the sales tax reimbursement agreement is tied to infrastructure improvements of about a one-half mile segment of the newly realigned Rittenhouse Road. Sunbelt Holdings advanced this roadway section prior to it being available for funding in the Town's CIP. The Town will reimburse up to 50 percent of the annual sales taxes received on the 40-acre power center (which includes Home Depot) up to the \$1.5 million amount, but not to exceed seven years. Mayor Thomas asked how the tax was shared. Mr. Remes replied that it was not shared with another city or town, but with the development company, Sunbelt Holdings. Mayor Feldman-Kerr stated that it was not exactly an incentive, but a sales tax reimbursement agreement.

Chairman Hawker suggested that those communities who share boundaries look at working together regarding incentives. He suggested setting a parameter, such as one to five miles, or even 10 miles out. Chairman Hawker stated that each city would have to look at where they are in their development stage. He suggested that the Committee continue to follow up with this work and look at test cases, such as Tempe with the Arizona Mills mall and the current discussions between Phoenix and Scottsdale. Mayor Shafer stated that she would like to see MAG stay out of this issue. She noted that she heard the Legislature may take steps to do away with tax incentives. Chairman Hawker stated that MAG would be conducting research on successful shared incentives.

Mayor Cavanaugh stated that he has some support and some reluctance. He questioned how cities share the cost and revenue correctly. Mayor Cavanaugh stated that he is reluctant to get into it, but does not oppose MAG investigating. He noted that the West Valley is meeting with legislators on the 18th and this will be on the agenda. Mayor Thomas stated that he supports MAG's role to provide information. Mayor Manross noted that Scottsdale and Phoenix are talking and the outcome could be that they agree to share or, at least, it will lead to better planning and development for both jurisdictions. Mayor Feldman-Kerr agreed that it is the borders where we should spend energy and we could still be in competition. She agreed with Chairman Hawker that we have to look at each individual situation.

Chairman Hawker suggested that staff continue to look at any discussions going on in the Valley. The Committee agreed. Chairman Hawker thanked Mr. Remes for the report.

6. Regional Workforce Housing Task Force Report

Dennis Smith introduced Mr. Gregg Holmes, President and CEO of the Stardust Foundation. Mr. Holmes provided a report to the Executive Committee on the Regional Workforce Housing Task Force. Mr. Holmes stated that the Task Force was convened on June 14, 2004 by Governor Napolitano, the Maricopa County Board of Supervisor and GPEC. The Task Force found that without critical housing infrastructure, the strength of our economy and the quality of life we enjoy

will be jeopardized. They agree that a comprehensive regional plan must be developed in order to create a sustainable solution. Mr. Holmes stated that the vision of the Regional Workforce Housing Task Force has one simple premise and that is to give people the opportunity to live and work in the same community.

Mr. Holmes stated that the goals of the Task Force are to complete its work with a set of recommendations and develop a mechanism to operationalize those recommendations, and to ensure the recommendations in the plan are measurable. He noted that the Task Force will be a compilation of community leaders throughout the Valley, representing diverse industries and segments of the population. These entities include elected officials, business leaders, housing industry (profit and non-profit sectors), community leaders, and the public sector. Mr. Holmes stated that the Task Force will have a Steering Committee of approximately 13 people, including a chairman. The Task Force will also have subcommittees in the areas of policy, outreach, land use, process, and financial resources. He noted that the purpose of the policy subcommittee would be to examine current approaches and make recommendations that would help improve the ability to provide workforce housing throughout the region. The primary goal of the outreach committee would be to identify ways to engage and inform all relevant stakeholders and help champion the awareness of the issues and their importance to their community. The land usage subcommittee will make recommendations on how to best utilize available land to serve the interests of working families and the community. The process subcommittee would identify barriers and outline a set of recommendations to address the identified barriers/opportunities. Lastly, the financial resource subcommittee would identify and inventory all possible partners and programs associated with providing financial resource to expand the capacity and availability of workforce housing in the community.

Mr. Holmes stated that the Task Force will be supported by a public relations firm who will help research the issues locally and nationally to identify best practices, and assemble the necessary information and relevant speakers. He noted that as a part of the process, the Task Force would like to connect to MAG's committee structure in an effort to gain knowledge and information that would help develop more well-informed, actionable recommendations. In addition, the Task Force would like to work with MAG staff to review existing statistical data that would be helpful in defining the current housing situation and profiling the region. Mr. Holmes stated that to operationalize this plan we need to draft the initial scope of work, recruit an initial list of Task Force members, secure a commitment from the Arizona Department of Housing (ADOH) to work with the Task Force regarding data analysis, secure funding for the process, secure a commitment from MAG to work with the Task Force regarding data analysis, and finalize the selection of the consultant. He noted that this is an extremely important process and needs to be inclusive.

Chairman Hawker stated that he believes that housing is an important issue. He noted that he is concerned that the results of the Task Force would be state-wide or county-wide recommendations or mandates. He also asked who the Task Force members are and if any local officials are included. Mr. Holmes responded that the authority to implement does not rest with the Task Force. They will be charged with identifying challenges and opportunities. Those recommendations will go to the elected officials and private sector to ultimately develop strategies. He agreed that this cannot be a mandate. We have to have logic, good deliberation and debate. Mr. Holmes stated that some of the Task Force members include elected officials, business leaders, community leaders and

public and private sector representatives. He noted that MAG would have input into the Task Force member list. The purpose of this first list is to develop some structure. Chairman Hawker asked if the Governor set up the Task Force. Mr. Holmes replied that she was involved, but is not driving it. Mayor Thomas asked if the recommendation have limitations on where the affordable housing would be located and who picks up the expense for roads, streets, schools, water and sewers. He noted that some ground rules need to be set. Mayor Thomas stated that he is just confirming that there are no limits to where recommendations could fall.

Mayor Manross stated that she agrees with the Task Force working with MAG staff for data analysis, but wonders why this was not first discussed at the Management Committee and Planner Stakeholders meetings. Mr. Smith stated that Management Committee has not seen this agenda item. He noted this was discussed with staff months ago and staff was concerned that if the Task Force worked without MAG, they could have facts or policies that are incorrect. At that time, MAG suggested using the committee structure. Mr. Smith stated that we can have this on the November Management Committee agenda and come back to the Executive Committee. Mayor Manross stated that she believes this is important, but would like it to go through the other MAG committees.

Mayor Cavanaugh asked to whom does the Task Force report. Mr. Holmes stated that the Task Force will report to the steering committee. Mayor Cavanaugh asked who was funding the process. Mr. Holmes replied that several funding sources will be involved, such as the Maricopa County and Phoenix IDA's, Arizona Department of Housing, Bank of America, Wells Fargo, Bank One, HUD, Stardust Initiatives and others. Mayor Shafer stated that she is not comfortable with the whole thing. She noted that it feels like the State and County are looking at the cities. Mr. Holmes replied that it was never the intent to have a process dictated by the State. The reason this was convened with GPEC and the Maricopa County Board of Supervisors was to look at a regional based process and have local people involved. He noted that people support what they create. Mayor Feldman-Kerr stated that this is a positive thing and that our data is valuable. She noted that she does not believe that the State wants to dictate. Mayor Feldman-Kerr agreed that this should be taken to the Management Committee.

Mayor Thomas moved to approve MAG working with the Regional Workforce Housing Project to provide data analysis and technical assistance and to have input on elements of the project provided by the appropriate MAG committees.

Chairman Hawker stated that he supports this process but feels that there should be more presence from the MAG body and elected officials, not just Management Committee. Mayor Shafer stated that she agreed. Mr. Smith stated that this will go to the Planners Stakeholders, Management Committee and then the Regional Council. Mayor Manross stated that the process is important and we need to interface with cities and towns. She noted that she supports the process as long as the final result is not mandated. Mayor Cavanaugh stated that this committee agrees with the concept, and that the concept should be taken to the other committees. He suggested not taking action until this agenda item returns to this committee. Mayor Thomas withdrew his motion. Chairman Hawker confirmed that there was a consensus to hold action on this item until it runs through the committee process. The Committee agreed. Mayor Feldman-Kerr stated that the Management Committee should know that the Executive Committee supports this process.

7. Adjournment

There being no further business, the meeting was adjourned at 1:06 p.m.

Chair

Secretary